

TO: Participating GRH Lenders  
FROM: Iowa's USDA, Rural Housing Service Single Family - Guaranteed Rural  
Housing (SF-GRH), May 2003

**\*\* PLEASE DISTRIBUTE TO ALL WHO UTILIZE THE GRH PROGRAM \*\***

## **NEW NEWS**

LOSS CLAIM PROCESSING - A disposition plan is to be issued to RD for concurrence within 30 days of acquisition of a GRH property. (A renewed Administrative Notice is in the works at National Office.) Supporting documentation should be held in the lender file to submit with the loss claim. A fillable disposition plan is attached. This was in the last newsletter but we'd like to print it again. Please let us know if there are any questions or concerns. If none, we will update the Iowa GRH Handbook with this wording.

New Iowa Policy - Non-income producing sites can be accepted regardless of size provided the contributory value of the site does not exceed 30% of the property's total value. Urban sites (i.e. residential zoning, public utilities, platted subdivision, etc.) with values exceeding 30% of the total value may be acceptable if determined to be typical for the area by the Agency loan approval official. Rural sites with values exceeding the 30% of the total value may be acceptable if the lender obtains documentation from the local zoning office that the site cannot be further subdivided for residential purposes based on its current zoning. For properties with outbuildings (besides the house and garage), the combined contributory value of the site and outbuildings cannot exceed 30% of the total value and must be documented by the appraiser in the appraisal. Septic systems must be pumped and the laterals and baffles certified to be in working order by a Licensed Commercial Septic Tank Cleaner as defined in Chapter 68 of the Iowa Code. Well water supplies must meet the chemical and bacteriological requirements of the State Health department. Such report shall be prepared and certified by an authorized state institution. Specifically, nitrate levels must be safe for adult and infant consumption.

Reminder - The Form RD 1980-21, Request for Single Family Housing Loan Guarantee has been updated. It has a revision date of 1-03 and may be found at <http://rdinit.usda.gov/regs/forms/1980-21.pdf>. Please begin using this immediately.

**\$ \$ \$ \$**

Our fax machine is ready and waiting for your reservation requests!

## **PROCESSING**

Just in case anybody had difficulties with the links to the income guidelines, here they are again:

Guaranteed Income Limits - [http://www.rurdev.usda.gov/rhs/ProgramBriefs/brief\\_rhguar.htm](http://www.rurdev.usda.gov/rhs/ProgramBriefs/brief_rhguar.htm)

Direct Income Limits - [http://www.rurdev.usda.gov/rhs/sfh/sfh\\_direct\\_loan\\_income\\_limits.htm](http://www.rurdev.usda.gov/rhs/sfh/sfh_direct_loan_income_limits.htm)

Please be sure to fax in those reservations prior to sending the guaranteed application package. This ensures the funding availability for the particular loan.

Conditional Commitments cannot be issued until the complete Underwriting Document and Termite Inspection are received.

The GRH Fee is 1.5% for new loans & 0.5% for refinance loans.

Our staff remains committed to providing excellent service with a 24 hour turnaround of complete application packages.

Don't Forget - Updated checklists are always available online:

<http://www.rurdev.usda.gov/ia/rhsg.html>

### **NEW ANs**

**[RD AN 3848](#)** – SFHGLP

Acceptable Alternative Documentation to Verify the Applicant's Employment Income

The purpose is to elaborate upon the acceptable forms of employment income verifications for loans guaranteed under the SFHGLP.

### **UPCOMING EVENTS**

April 30, 2003

Iowa Home Ownership Education Project (IHOEP) - 2003 Spring Conference

Clarion Hotel and Conference Center, Urbandale, Iowa

### **DON'T FORGET**

Properties for sale by RD may be found at: <http://www.resales.usda.gov/>

All Iowa GRH newsletters may be found under Updates at our GRH web site at

<http://www.rurdev.usda.gov/ia/rhsg.html>

For Iowa USDA, Rural Development Information: <http://www.rurdev.usda.gov/ia>

USDA, Rural Development offices will be closed on the following holidays:

Monday, May 26, 2003 - Memorial Day

Friday, July 4, 2003 - Independence Day

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Thank you.